COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS ADJUSTMENT FILING OF DELTA)	CASE NO. 2003-00118
NATURAL GAS COMPANY, INC.)	0/10L 110. 2000 00110

ORDER

On December 27, 1999, in Case No. 1999-00176, the Commission approved rates for Delta Natural Gas Company, Inc. (Delta) and provided for their further adjustment in accordance with Delta's gas cost adjustment (GCA) clause.

On March 27, 2003, Delta filed its proposed GCA to be effective May 1, 2003.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Delta s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Delta's expected gas cost (EGC) is \$7.3081 per Mcf, which is \$1.0394 per Mcf more than the previous EGC of \$6.2687.
- 3. Delta's notice sets out no current quarter refund adjustment (RA).

 Delta's notice sets out no total RA, which represents an increase from the previous total RA.
- 4. Delta's notice sets out a current quarter actual adjustment (AA) of \$1.3441 per Mcf. Delta's notice sets out a total AA of \$1.6735 per Mcf, which represents an increase of 57.8 cents per Mcf from the previous total AA.

5. Delta s notice sets out a balance adjustment (BA) of 24.15 cents per Mcf, which represents an increase of 7.11 cents per Mcf from the previous BA.

6. Delta s GCA is \$9.2231 per Mcf, which is \$1.7094 per Mcf more than the previous GCA of \$7.5137.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after May 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after May 1, 2003.

2. Within 20 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 24th day of April, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00118 DATED April 24, 2003

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

<u>AVAILABILITY</u>

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Ba</u>	se Rate		as Cost ecovery <u>Rate</u>	Total Rate
Residential					
Monthly Service All Mcf	•	8.00 .6224	\$9	.2231	\$12.8455
Small Non-Residential	I				
Monthly Service	e Charge \$	17.00			
First 200 M	lcf 3	.6224	9.	.2231	\$12.8455
Next 800 M	lcf 2	.4000	9.	.2231	11.6231
Over 1,000 M	lcf 2	.0495	9.	.2231	11.2726
Large Non-Residentia	l				
Monthly Service		50.00			
-	•	3.6224	\$9	.2231	\$12.8455
Next 800 M	lcf	2.0063	9.	.2231	11.2294
Next 4,000 M	lcf	1.3190	9.	.2231	10.5421
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Over 10,000 M	lcf	.7190	9.	.2231	9.9421

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$9.2231	\$ 10.8231
Next 4,000 Mcf	1.2000	9.2231	10.4231
Next 5,000 Mcf	.8000	9.2231	10.0231
Over 10,000 Mcf	.6000	9.2231	9.823